

AMENDED IN ASSEMBLY APRIL 7, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1620**

**Introduced by Assembly Member Klehs**

February 22, 2005

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An act to amend Section 19951 of the Business and Professions Code, relating to gambling.

LEGISLATIVE COUNSEL'S DIGEST

AB 1620, as amended, Klehs. Gambling license fees.

Existing law establishes the Gambling Control Fund within the State Treasury for the receipt and deposit of fees and revenue collected pursuant to the Gambling Control Act. Under the act, specified licensing fees are required to be paid for the issuance or renewal of a state gambling license, as specified. *Under existing law, the fee for initial issuance of a state gambling license is determined by the Division of Gambling Control and the fee for the renewal of a state gambling license is determined pursuant to specified schedules.*

*This bill would revise those provisions to instead specify that the fee for initial issuance of a state gambling license be determined by the California Gambling Control Commission in accordance with regulations adopted pursuant to that act, and that the fee for renewal of a state gambling license is 1.36% of the annual gross gaming revenue of the gambling establishment. The bill would also require the holder of a provisional license to pay an annual fee according to a specified schedule.*

*The bill would also provide that it is the Legislature's intent that the fees paid pursuant to that provision are sufficient to enable the Division of Gambling Control and the California Gambling Control*

Commission to fully carry out their duties and responsibilities pursuant to that law.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 19951 of the Business and Professions  
2 Code is amended to read:  
3 19951. (a) Every application for a license or approval shall  
4 be accompanied by a nonrefundable fee of five hundred dollars  
5 (\$500).  
6 (b) (1) Any fee paid pursuant to this section, including all  
7 licenses issued to key employees and other persons whose names  
8 are endorsed upon the license, shall be assessed against the  
9 gambling license issued to the owner of the gambling-enterprise  
10 establishment.  
11 (2) (A) The fee for initial issuance of a state gambling license  
12 shall be an amount determined by the ~~division pursuant to the~~  
13 ~~schedule in subdivision (e):~~ *commission in accordance with*  
14 *regulations adopted pursuant to this chapter.*  
15 (B) The fee for the renewal of a state gambling license shall be  
16 determined pursuant to the ~~schedule in subdivision (e) or the~~  
17 ~~schedule in subdivision (d), whichever amount is greater.~~  
18 (C) ~~In any year in which a licensee does not pay a fee pursuant~~  
19 ~~to subparagraph (A) or (B), a licensee shall pay a state gambling~~  
20 ~~fee which shall be determined pursuant to the schedule in~~  
21 ~~subdivision (e) or the schedule in subdivision (d), whichever~~  
22 ~~amount is greater.~~ *1.36 percent of the annual gross gaming*  
23 *revenue of the gambling establishment.*  
24 (C) *The holder of a provisional license shall pay an annual fee*  
25 *pursuant to the schedule in subdivision (c).*  
26 (c) The schedule based on the number of tables is as follows:  
27 (1) For a license authorizing one to five tables, inclusive, at  
28 which games are played, two hundred fifty dollars (\$250) for  
29 each table.  
30 (2) For a license authorizing six to eight tables, inclusive, at  
31 which games are played, four hundred fifty dollars (\$450) for  
32 each table.

1 (3) For a license authorizing 9 to 14 tables, inclusive, at which  
2 games are played, one thousand fifty dollars (\$1,050) for each  
3 table.

4 (4) For a license authorizing 15 to 25 tables, inclusive, at  
5 which games are played, two thousand one hundred fifty dollars  
6 (\$2,150) for each table.

7 (5) For a license authorizing 26 to 70 tables, inclusive, at  
8 which games are played, three thousand two hundred dollars  
9 (\$3,200) for each table.

10 (6) For a license authorizing 71 or more tables at which games  
11 are played, three thousand seven hundred dollars (\$3,700) for  
12 each table.

13 ~~(d) Without regard to the number of tables at which games~~  
14 ~~may be played pursuant to a gambling license, if, at the time of~~  
15 ~~any license renewal, or when a licensee is required to pay the fee~~  
16 ~~described in subparagraph (C) of paragraph (2) of subdivision (b)~~  
17 ~~it is determined that the gross revenues of an owner licensee~~  
18 ~~during the licensee's previous fiscal year fell within the~~  
19 ~~following ranges, the annual fee shall be as follows:~~

20 ~~(1) For a gross revenue of two hundred thousand dollars~~  
21 ~~(\$200,000) to four hundred ninety-nine thousand nine hundred~~  
22 ~~ninety-nine dollars (\$499,999), inclusive, the amount specified~~  
23 ~~by the division pursuant to paragraph (2) of subdivision (e):~~

24 ~~(2) For a gross revenue of five hundred thousand dollars~~  
25 ~~(\$500,000) to one million nine hundred ninety-nine thousand~~  
26 ~~nine hundred ninety-nine dollars (\$1,999,999), inclusive, the~~  
27 ~~amount specified by the division pursuant to paragraph (3) of~~  
28 ~~subdivision (e):~~

29 ~~(3) For a gross revenue of two million dollars (\$2,000,000) to~~  
30 ~~nine million nine hundred ninety-nine thousand nine hundred~~  
31 ~~ninety-nine dollars (\$9,999,999), inclusive, the amount specified~~  
32 ~~by the division pursuant to paragraph (4) of subdivision (e):~~

33 ~~(4) For a gross revenue of ten million dollars (\$10,000,000) or~~  
34 ~~more, the amount specified by the division pursuant to paragraph~~  
35 ~~(5) of subdivision (e):~~

36 ~~(e)~~

37 ~~(d)~~ The commission may provide for payment of the annual  
38 gambling license fee on an annual or installment basis.

39 ~~(f)~~

- 1     (e) For the purposes of this section, each table at which a game  
2     is played constitutes a single game table.  
3     ~~(g)~~  
4     (f) It is the intent of the Legislature that the fees paid pursuant  
5     to this section are sufficient to enable the division and the  
6     commission to fully carry out their duties and responsibilities  
7     under this chapter.